Billing Code: 4310-MR

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management (BOEM)

Western Gulf of Mexico Planning Area (WPA) Outer Continental Shelf (OCS) Oil and Gas

Lease Sale 233 (WPA Sale 233)

MMAA104000

AGENCY: Bureau of Ocean Energy Management, Interior

ACTION: Final Notice of Sale

SUMMARY: On Wednesday, August 28, 2013, BOEM will open and publicly announce bids

received for blocks offered in WPA Sale 233, in accordance with the provisions of the OCS

Lands Act (OCSLA, 43 U.S.C. 1331-1356a, as amended) and the implementing regulations

issued pursuant to OCSLA (30 CFR parts 550 and 556). The WPA 233 Final Notice of Sale

(NOS) package (Final NOS Package) contains information essential to potential bidders, and

bidders are charged with knowing the contents of the documents contained in the Final NOS

Package. The Final NOS Package is available at the address and website below.

DATES: Public bid reading for WPA Sale 233 will begin at 9:00 a.m., Wednesday, August

28, 2013, at the Mercedes-Benz Superdome, 1500 Sugarbowl Drive, New Orleans, Louisiana

70112. The lease sale will be held in the St. Charles Club Room on the second floor (Loge

Level). Entry to the Superdome will be on the Poydras Street side of the building through

Gate A on the Ground Level; parking will be available at Garage 6. All times referred to in

this document are local New Orleans times, unless otherwise specified.

BID SUBMISSION DEADLINE: BOEM must receive all sealed bids between 8:00 a.m.

and 4:00 p.m. on normal working days, and from 8:00 a.m. to the Bid Submission Deadline of

10:00 a.m. on Tuesday, August 27, 2013, the day before the lease sale. For more information

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on bid submission, see Section VII, "Bidding Instructions," of this document.

ADDRESS: Interested parties can obtain a Final NOS Package by contacting the Gulf of

Mexico (GOM) Region at:

Gulf of Mexico Region Public Information Office

Bureau of Ocean Energy Management

1201 Elmwood Park Boulevard

New Orleans, Louisiana 70123-2394

(504) 736-2519 or (800) 200-GULF

or by visiting the BOEM website at http://www.boem.gov/About-BOEM/BOEM-Regions/Gulf-of-Mexico-Region/Index.aspx.

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I. LEASE SALE AREA

Areas Offered for Leasing

In WPA Sale 233, BOEM is offering to lease all blocks and partial blocks listed in the document "List of Blocks Available for Leasing" included in the Final NOS Package. All of these blocks are shown on the following leasing maps and Official Protraction Diagrams (OPDs):

Outer Continental Shelf Leasing Maps - Texas Map Numbers 1 through 8 (These 16 maps sell for \$2.00 each.)

TX1	South Padre Island Area (revised November 1, 2000)	
TX1A	South Padre Island Area, East Addition (revised November 1, 2000)	
TX2	North Padre Island Area (revised November 1, 2000)	
TX2A	North Padre Island Area, East Addition (revised November 1, 2000)	
TX3	Mustang Island Area (revised November 1, 2000)	
TX3A	Mustang Island Area, East Addition (revised September 3, 2002)	
TX4	Matagorda Island Area (revised November 1, 2000)	
TX5	Brazos Area (revised November 1, 2000)	
TX5B	Brazos Area, South Addition (revised November 1, 2000)	
TX6	Galveston Area (revised November 1, 2000)	
TX6A	Galveston Area, South Addition (revised November 1, 2000)	
TX7	High Island Area (revised November 1, 2000)	
TX7A	High Island Area, East Addition (revised November 1, 2000)	
TX7B	High Island Area, South Addition (revised November 1, 2000)	
TX7C	High Island Area, East Addition, South Extension (revised November 1, 2000)	

TX8 Sabine Pass Area (revised November 1, 2000)

Outer Continental Shelf Leasing Maps - Louisiana Map Numbers 1A, 1B, and 12

(These 3 maps sell for \$2.00 each.)

LA1A	West Cameron Area, West Addition (revised February 28, 2007)
LA1B	West Cameron Area, South Addition (revised February 28, 2007)

Sabine Pass Area (revised July 1, 2011)

Outer Continental Shelf Official Protraction Diagrams

(These 7 diagrams sell for \$2.00 each.)

NG14-03	Corpus Christi (revised November 1, 2000)
NG14-06	Port Isabel (revised November 1, 2000)
NG15-01	East Breaks (revised November 1, 2000)
NG15-02	Garden Banks (revised February 28, 2007)
NG15-04	Alaminos Canyon (revised November 1, 2000)
NG15-05	Keathley Canyon (revised February 28, 2007)
NG15-08	Sigsbee Escarpment (revised February 28, 2007)

Please Note:

LA12

A CD-ROM (in ArcInfo and Acrobat (.pdf) format) containing all of the GOM leasing maps and OPDs, except for those not yet converted to digital format, is available from the BOEM Gulf of Mexico Region Public Information Office for a price of \$15.00. These GOM leasing maps and OPDs are also available for free online in .pdf and .gra formats at http://www.boem.gov/Oil-and-Gas-Energy-Program/Mapping-and-Data/Official-Protraction-Diagrams.aspx.

For the current status of all WPA leasing maps and OPDs, please refer to 66 FR 28002 (May 21, 2001), 67 FR 60701 (September 26, 2002), 72 FR 27590 (May 16, 2007), and 76 FR 54787 (September 2, 2011). In addition, Supplemental Official OCS Block Diagrams (SOBDs) for

blocks containing the U.S. 200 Nautical Mile Limit line and the U.S.-Mexico Maritime and Continental Shelf Boundary line are available. These SOBDs also are available from the BOEM Gulf of Mexico Region Public Information Office. For additional information, or to order the above referenced maps or diagrams, please call the Mapping and Automation Section at (504) 736-5768.

All blocks being offered in the lease sale are shown on these leasing maps and OPDs. The available Federal acreage of each whole and partial block in this lease sale is shown in the document "List of Blocks Available for Leasing" included in the Final NOS Package. Some of these blocks may be partially leased or deferred, or transected by administrative lines such as the Federal/state jurisdictional line. A bid on a block must include all of the available Federal acreage of that block. Also, information on the unleased portions of such blocks is found in the document "Western Planning Area, Lease Sale 233, August 28, 2013 - Unleased Split Blocks and Available Unleased Acreage of Blocks with Aliquots and Irregular Portions under Lease or Deferred" included in the Final NOS Package.

Areas Not Offered for Leasing

The following whole and partial blocks are not offered for lease in this sale:

Whole blocks and portions of blocks that lie within the boundaries of the Flower Garden Banks National Marine Sanctuary (Sanctuary) in the East and West Flower Garden Banks and Stetson Bank. The following list identifies all blocks affected by the Sanctuary boundaries:

High Island, East Addition, South Extension (Leasing Map TX7C)

Whole Block: A-398

Portions of Blocks: A-366*, A-367*, A-374*, A-375, A-383, A-384*, A-385*,

A-388, A-389, A-397*, A-399, A-401

*Leased

High Island, South Addition (Leasing Map TX7B)

Portions of Blocks: A-502, A-513

Garden Banks (OPD NG15-02)

Portions of Blocks: 134, 135

Whole blocks and portions of blocks that lie within the former Western Gap and that lie within 1.4 nautical miles north of the Continental Shelf Boundary between the

United States and Mexico:

Keathley Canyon (OPD NG15-05)

Portions of Blocks: 978 through 980

Sigsbee Escarpment (OPD NG15-08)

Whole Blocks: 11, 57, 103, 148, 149, 194

Portions of Blocks: 12 through 14, 58 through 60, 104 through 106, 150

Blocks that lie within the former Western Gap and within 1.4 nautical miles north of the Continental Shelf Boundary (1.4-nautical mile buffer) between the United States and Mexico.

Please be advised that the 1.4-nautical mile buffer, which has not been offered in recent lease sales, was included in the lease sale area identified in the Proposed NOS for this sale, in the event that the Agreement (described below), entered into force prior to the issuance of this Final NOS. However, the Agreement has yet to enter into force; accordingly, the 1.4 nautical mile buffer is not available for leasing. A treaty provision prohibiting exploration and development remains in effect in the Western Gap area of the GOM after the United States and Mexico exchanged instruments of ratification in January 2001. The treaty states that, at the earliest, exploration or development within the 1.4-nautical mile buffer would occur after January 2011;

however, on June 23, 2010, the United States and Mexico mutually agreed to extend this period for an additional three years. The treaty provision now remains in effect until January 17, 2014. The Agreement was signed by the United States and Mexico on February 20, 2012, and upon entry into force, the Agreement will supersede the prohibition on exploration or development within the 1.4-nautical mile buffer imposed by the continuing treaty provision. As the Agreement has not received final approval such that it may enter into force, this 1.4-nautical mile buffer is not available for leasing, and BOEM is not including these blocks in the former Western Gap and in the 1.4-nautical mile buffer in the lease sale area for this Final NOS.

Bids on Blocks near the U.S.-Mexico Maritime and Continental Shelf Boundary

The following definitions apply to this section:

"Agreement" refers to the transboundary agreement between the United Mexican States and the United States of America that addresses identification and unitization of transboundary hydrocarbon reservoirs, allocation of production, inspections, safety, and environmental protection. A copy of the Agreement can be found at http://www.boem.gov/BOEM-Newsroom/Library/Boundaries-Mexico.aspx.

"Boundary Area" means an area comprised of any and all blocks in the WPA that are wholly or partially located within three statute miles of the Maritime and Continental Shelf Boundary with Mexico, as that Maritime Boundary is delimited in the November 24, 1970 Treaty to Resolve Pending Boundary Differences and Maintain the Rio Grande and Colorado River as the International Boundary; the May 4, 1978 Treaty on Maritime Boundaries between the United Mexican States and the United States of America; and the June 9, 2000 Treaty on the Continental Shelf between the Government of the United Mexican States and the Government of the United States of America.

The Agreement was signed on February 20, 2012, but has not yet entered into force. Bids

submitted on any available block in the "Boundary Area" (as defined above) may be segregated from bids submitted on blocks outside the Boundary Area. Bids submitted on available blocks outside the Boundary Area will be opened on the date scheduled for the sale. Bids submitted on available blocks in the Boundary Area may not be opened on the date scheduled for the sale, but may be opened at a later date. Within 30 days after approval of the Agreement necessary to allow it to enter into force, or by February 28, 2014, whichever occurs first, the Secretary of the Interior (Secretary) will determine whether to open bids on available Boundary Area blocks or to return the bids unopened.

In the event the Secretary decides to open bids on available blocks in the Boundary

Area, BOEM will notify such bidders at least 30 days prior to opening such bids and will

describe the terms of the Agreement under which leases in the Boundary Area will be

issued. Bidders on these blocks may withdraw their bids at any time after such notice up

until 10:00 a.m. on the day before bid opening. If BOEM does not give notice within

30 days of approval of the Agreement as described above, or by February 28, 2014,

whichever comes first, BOEM will return the bids unopened. This timing will allow

potential bidders to make decisions regarding the next annual WPA lease sale (anticipated

in August 2014), which also may offer blocks in this area. BOEM reserves the right to

return these bids at any time. BOEM will not disclose which blocks received bids or the

names of bidders on blocks in the Boundary Area unless and until the bids are opened.

BOEM currently anticipates that blocks in the Boundary Area that are not awarded as a

result of WPA Sale 233 would be reoffered in the next WPA lease sale in 2014.

The following whole and partial blocks comprise the entire Boundary Area (not all of which may be available under WPA Sale 233):

Port Isabel Blocks – 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 945, 946,

947, 948, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 989, 990, 991, and 992

Alaminos Canyon Blocks – 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899*, 900*, 901*, 902*, 903*, 904*, 905, 906, 907, 908, 909, 910, 911, 912, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942*, 943*, 944*, 945*, 946, 947*, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 992, 993, 994, 995, 996, 997, 998, 999, 1000, 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, and 1009

Keathley Canyon Blocks – 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, and 981

Sigsbee Escarpment Blocks – 11, 12, 13, 14, 15, 57, 58, 59, 60, 61, 103, 104, 105, 106, 148, 149, 150, and 194

South Padre Island Blocks – 1154, 1163, 1164, 1165, and 1166

South Padre Island, East Addition Blocks – 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, A 78, A 79, A 80, A 81, A 82, A 83, A 84, A 85, A 86, A 87, A 89, and A 90 *Leased

II. STATUTES AND REGULATIONS

Each lease is issued pursuant to OCSLA, implementing regulations promulgated pursuant thereto, and other applicable statutes and regulations in existence upon the effective date of the lease, as well as those applicable statutes enacted and regulations promulgated thereafter, except to the extent that the after-enacted statutes and regulations explicitly conflict with an express provision of the lease. Amendments to existing statutes and regulations, including but not limited to OCSLA, as well as the enactment of new statutes and promulgation of new regulations, that do not explicitly conflict with an express provision of the lease, will apply to

leases issued as a result of this sale. Moreover, the lessee expressly bears the risk that such new statutes and regulations (i.e., those that do not explicitly conflict with an express provision of the lease) may increase or decrease the lessee's obligation under the lease.

III.LEASE TERMS AND ECONOMIC CONDITIONS

Lease Terms

OCS Lease Form

BOEM will use Form BOEM-2005 (October 2011) to convey leases resulting from this sale. This lease form may be viewed on the BOEM website at http://www.boem.gov/About-BOEM/Procurement-Business-Opportunities/BOEM-OCS-Operation-Forms/BOEM-2005.aspx. The lease form will be amended to conform with the specific terms, conditions, and stipulations applicable to the individual lease.

Initial Periods

Initial periods are summarized in the following table:

Water Depth in	Initial Period		
Meters			
0 to < 400	Standard initial period is 5 years; the lessee may earn an additional 3 years (i.e., for an 8-year extended initial period) if a well is spudd targeting hydrocarbons below 25,000 feet True Vertical Depth Subsea (TVD SS) during the first 5 years of the lease		
Standard initial period is 5 years; the lessee will earn an a years (i.e., for an 8-year extended initial period) if a well during the first 5 years of the lease			
800 to < 1,600	Standard initial period is 7 years; the lessee will earn an additional 3		

	years (i.e., for a 10-year extended initial period) if a well is spudded		
	during the first 7 years of the lease		
1,600 +	10 years		

(1) The standard initial period for a lease in water depths less than 400 meters issued as a result of this sale is 5 years. If the lessee spuds a well targeting hydrocarbons below 25,000 feet TVD SS within the first 5 years of the lease, then the lessee may earn an additional 3 years, resulting in an 8-year extended initial period. The lessee will earn the 8-year extended initial period when the well is drilled to a target below 25,000 feet TVD SS, or the lessee may earn the 8-year extended initial period in cases where the well targets, but does not reach, a depth below 25,000 feet TVD SS due to mechanical or safety reasons, where sufficient evidence is provided.

In order to earn the 8-year extended initial period, the lessee is required to submit to the Bureau of Safety and Environmental Enforcement (BSEE) GOM Regional Supervisor for Production and Development, within 30 days after completion of the drilling operation, a letter providing the well number, spud date, information demonstrating a target below 25,000 feet TVD SS and whether that target was reached, and if applicable, any safety, mechanical, or other problems encountered that prevented the well from reaching a depth below 25,000 feet TVD SS. The BSEE Gulf of Mexico Regional Supervisor for Production and Development must concur in writing that the conditions have been met for the lessee to earn the 8-year extended initial period. The BSEE Gulf of Mexico Regional Supervisor for Production and Development will provide a written response within 30 days of receipt of the lessee's letter.

A lessee that has earned the 8-year extended initial period by spudding a well with a hydrocarbon target below 25,000 feet TVD SS during the first 5 years of the lease, confirmed by BSEE, will not be eligible for a suspension for that same period under the regulations at 30 CFR 250.175 because the lease is not at risk of expiring.

(2) The standard initial period for a lease in water depths of 400 to less than 800 meters issued as a result of this sale is 5 years. The lessee will earn an additional 3 years, resulting in an 8-year extended initial period, if the lessee spuds a well within the first 5 years of the lease.

In order to earn the 8-year extended initial period, the lessee is required to submit to the appropriate BSEE District Manager, within 30 days after spudding a well, a letter providing the well number and spud date, and requesting concurrence that the lessee has earned the 8-year extended initial period. The BSEE District Manager will review the request and make a written determination within 30 days of receipt of the request. The BSEE District Manager must concur in writing that the conditions have been met by the lessee to earn the 8-year extended initial period.

(3) The standard initial period for a lease in water depths of 800 to less than 1,600 meters issued as a result of this sale will be 7 years. The lessee will earn an additional 3 years, resulting in a 10-year extended initial period, if the lessee spuds a well within the first 7 years of the lease.

In order to earn the 10-year extended initial period, the lessee is required to submit to the appropriate BSEE District Manager, within 30 days after spudding a well, a letter providing the well number and spud date, and requesting concurrence that the lessee has earned the 10-year extended initial period. The BSEE District Manager will review the request and make a determination. A written response will

be sent to the lessee documenting the BSEE District Manager's decision within 30 days of receipt of the request. The BSEE District Manager must concur in writing that the conditions have been met by the lessee to earn the 10-year extended initial period.

(4) The standard initial period for a lease in water depths of 1,600 meters or greater issued as a result of this sale will be 10 years.

Economic Conditions

Minimum Bonus Bid Amounts

depths of 400 meters or deeper.

- \$25.00 per acre or fraction thereof for blocks in water depths less than 400 meters
- \$100.00 per acre or fraction thereof for blocks in water depths of 400 meters or deeper BOEM will not accept a bonus bid unless it provides for a cash bonus in the amount equal to, or exceeding, the specified minimum bid of \$25.00 per acre or fraction thereof for blocks in water depths less than 400 meters, and \$100.00 per acre or fraction thereof for blocks in water

Rental Rates

Annual rental rates are summarized in the following table:

Rental Rates per Acre or Fraction Thereof				
Water Depth	Years	Years 6, 7, & 8 +		
in Meters	1-5			
0 to < 200	\$7.00	\$14.00, \$21.00, & \$28.00		
200 to < 400	\$11.00	\$22.00, \$33.00, & \$44.00		
400 +	\$11.00	\$16.00		

Escalating Rental Rates for Leases with an 8-Year Extended Initial Period in Water Depths Less Than 400 Meters

Any lessee with a lease in water depths less than 400 meters that earns an 8-year extended initial period will pay an escalating rental rate as shown above. The rental rates after the fifth year for blocks in less than 400 meters water depth will become fixed and no longer escalate if another well is spudded targeting hydrocarbons below 25,000 feet TVD SS after the fifth year of the lease, and BSEE concurs that such a well has been spudded. In this case, the rental rate will become fixed at the rental rate in effect during the lease year in which the additional well was spudded.

Royalty Rate

• 18.75 percent

Minimum Royalty Rate

- \$7.00 per acre or fraction thereof per year for blocks in water depths less than 200 meters
- \$11.00 per acre or fraction thereof per year for blocks in water depths of 200 meters or deeper

Royalty Suspension Provisions

Leases with royalty suspension volumes (RSVs) are authorized under existing BOEM regulations at 30 CFR part 560. Royalty relief or reduction is implemented by BSEE through regulations at 30 CFR part 203.

Ultra-deep Gas Royalty Suspensions

A lease issued as a result of this sale may be eligible for RSV incentives for ultra-deep wells pursuant to 30 CFR part 203, implementing requirements of the Energy Policy Act of 2005.

Certain wells on leases in less than 400 meters water depth completed to a drilling depth of 20,000 feet TVD SS or deeper may receive an RSV of 35 billion cubic feet of natural gas. This RSV incentive is conditioned upon applicable price thresholds.

IV. LEASE STIPULATIONS

One or more of the following proposed stipulations may be applied to leases issued as a result of this sale. The detailed text of these stipulations is contained in the "Lease Stipulations" section of the Final NOS Package.

- (1) Topographic Features
- (2) Military Areas
- (3) Law of the Sea Convention Royalty Payment
- (4) Protected Species
- (5) Agreement between the United States of America and the United Mexican States

 Concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico

V. INFORMATION TO LESSEES

The Information to Lessees (ITL) clauses provide detailed information on certain issues pertaining to this oil and gas lease sale. The detailed text of these ITL clauses is contained in the "Information to Lessees" section of the Final NOS Package:

- (1) Navigation Safety
- (2) Ordnance Disposal Areas
- (3) Existing and Proposed Artificial Reefs/Rigs-to-Reefs
- (4) Lightering Zones
- (5) Indicated Hydrocarbons List
- (6) Military Areas
- (7) Safety Zones for Certain Production Facilities

- (8) Bureau of Safety and Environmental Enforcement (BSEE) Inspection and Enforcement of Certain Coast Guard Regulations
- (9) Potential Sand Dredging Activities
- (10) Notice of Arrival on the Outer Continental Shelf
- (11) Bids on Blocks near U.S.-Mexico Maritime and Continental Shelf Boundary

VI. MAPS

The maps pertaining to this lease sale may be found on the BOEM website at http://www.boem.gov/sale-233/. The following maps also are included in the Final NOS Package:

Lease Terms and Economic Conditions Map

The lease terms and economic conditions and the blocks to which these terms and conditions apply are shown on the map "Final, Western Planning Area, Lease Sale 233, August 2013, Lease Terms and Economic Conditions" included in the Final NOS Package.

Stipulations and Deferred Blocks Map

The blocks to which one or more lease stipulations may apply are shown on the map "Final, Western Planning Area, Lease Sale 233, August 2013, Stipulations and Deferred Blocks Map" included in the Final NOS Package.

VII. BIDDING INSTRUCTIONS

Instructions on how to submit a bid, secure payment of the advance bonus bid deposit (if applicable), and what information must be included with the bid are as follows:

Bid Form

For each block bid upon, a separate sealed bid shall be submitted in a sealed envelope (as described below) and must include the following:

• total amount of the bid in whole dollars only;

- sale number;
- sale date;
- each bidder's exact name:
- each bidder's proportionate interest, stated as a percentage, using a maximum of five decimal places (e.g., 33.33333 percent);
- typed name and title, and signature of each bidder's authorized officer;
- each bidder's GOM company number;
- map name and number or Official Protraction Diagram (OPD) name and number;
- block number; and
- statement acknowledging that the bidder(s) understand that this bid legally binds the bidder(s) to comply with all applicable regulations, including payment of one-fifth of the bonus bid amount on all apparent high bids.

The information required on the bid(s) will be specified in the document "Bid Form" contained in the Final NOS Package. A blank bid form is provided therein for convenience and may be copied and completed with the necessary information described above.

Bid Envelope

Each bid must be submitted in a separate sealed envelope labeled as follows:

- "Sealed Bid for Oil and Gas Lease Sale 233, not to be opened until 9:00 a.m. Wednesday, August 28, 2013" or if the bid is on a block in the U.S.-Mexico Maritime Boundary Area, "Sealed Bid for Oil and Gas Lease Sale 233 U.S.-Mexico Maritime Boundary Bid, not to be opened until at least 30 days following the approval of the Transboundary Agreement allowing it to enter into force, or February 28, 2014, whichever occurs first;"
- map name and number or OPD name and number;

• block number for block bid upon; and

• the exact name and qualification number of the submitting bidder only.

The Final NOS Package includes a sample bid envelope for reference.

Mailed Bids

If bids are mailed, please address the envelope containing the sealed bid envelope(s) as follows:

Attention: Leasing and Financial Responsibility Section

BOEM Gulf of Mexico Region

1201 Elmwood Park Boulevard

New Orleans, Louisiana 70123-2394

Contains Sealed Bids for WPA Oil and Gas Lease Sale 233

Please Deliver to Ms. Cindy Thibodeaux or Ms. Kasey Couture,

2nd Floor, Immediately

Please Note:

Bidders mailing bid(s) are advised to call Ms. Cindy Thibodeaux at (504) 736-2809, or Ms. Kasey Couture at (504) 736-2909, immediately after putting their bid(s) in the mail. If BOEM receives bids later than the Bid Submission Deadline, the BOEM Regional Director (RD) will return those bids unopened to bidders. Please see "Section XI. Delay of Sale" regarding BOEM's discretion to extend the Bid Submission Deadline in the case of an unexpected event (e.g., flooding or travel restrictions) and how bidders can obtain more information on such extensions.

Advance Bonus Bid Deposit Guarantee

Bidders that are not currently an OCS oil and gas lease record title holder or designated

operator or those that ever have defaulted on a one-fifth bonus bid deposit, by Electronic Funds Transfer (EFT) or otherwise, must guarantee (secure) the payment of the one-fifth bonus bid deposit prior to bid submission using one of the following four methods:

- provide a third-party guarantee;
- amend an areawide development bond via bond rider;
- provide a letter of credit; or
- provide a lump sum payment in advance via EFT.

For more information on EFT procedures, see Section X of this document entitled "The Lease Sale."

Affirmative Action

BOEM requests that, prior to bidding, the bidder file Equal Opportunity Affirmative Action Representation Form BOEM-2032 (October 2011) and Equal Opportunity Compliance Report Certification Form BOEM-2033 (October 2011) in the BOEM Gulf of Mexico Region Adjudication Section. This certification is required by 41 CFR part 60 and Executive Order No. 11246, issued September 24, 1965, as amended by Executive Order No. 11375, issued October 13, 1967. Please note that both forms are required to be on file for the bidder(s) in the GOM Region Adjudication Section prior to the execution of any lease contract.

Geophysical Data and Information Statement (GDIS)

Every bidder submitting a bid on a block in WPA Sale 233, or participating as a joint bidder in such a bid, must submit at the time of bid submission a GDIS in a separate and sealed envelope, identifying all proprietary data; reprocessed speculative data, and/or any Controlled Source Electromagnetic surveys, Amplitude Versus Offset, Gravity, or Magnetic data; or other information used as part of the decision to bid or participate in a bid on the block. The bidder and joint bidder must also include a live trace map (e.g., .pdf and ArcGIS shape file) for each

survey that they identify in the GDIS illustrating the actual areal extent of the proprietary geophysical data in the survey (see the "Example of Preferred Format" in the Final NOS Package for additional information).

A bidder must submit the GDIS even if its joint bidder or bidders on a specific block also have submitted a GDIS. Any speculative data that has been reprocessed externally or "in-house" is considered proprietary due to the proprietary processing and is no longer considered to be speculative. The GDIS should clearly state who did the reprocessing (e.g., external company name or "in-house"). In addition, the GDIS should clearly identify the data type (e.g., 2-D, 3-D, or 4-D; pre-stack or post-stack; and time or depth), areal extent (i.e., number of line miles for 2-D or number of blocks for 3-D), and migration algorithm (e.g., Kirchhoff Migration, Wave Equation Migration, Reverse Migration, Reverse Time Migration) of the data, velocity models used, and other requested metadata. The statement also must include the name, phone number, and full address of a contact person and an alternate who are both knowledgeable about the information and data listed and who are available for 30 days postsale, the processing company, date processing was completed, owner of the original data set (i.e., who initially acquired the data), and original data survey name and permit number. Seismic survey information also should include the computer storage size, to the nearest megabyte, of each seismic data and velocity volume used to evaluate the lease block in question. This will be used in estimating the reproduction costs for each data set. BOEM reserves the right to query about alternate data sets, to quality check, and to compare the listed and alternative data sets to determine which data set most closely meets the needs of the fair market value determination process.

The GDIS also must include entries for all blocks bid upon that did not use proprietary or reprocessed pre- or post-stack geophysical data and information as part of the decision to bid or

to participate as a joint bidder in the bid. The GDIS must be submitted even if no proprietary geophysical data and information were used in bid preparation for the block.

Pursuant to 30 CFR 551.12 and 30 CFR 556.32, as a condition of the sale, the BOEM Gulf of Mexico RD requests that all bidders and joint bidders submit the proprietary data identified on their GDIS within 30 days after the lease sale (unless you are notified after the lease sale that BOEM has withdrawn the request). This request only pertains to proprietary data that is not commercially available. Commercially available data is not required to be submitted to BOEM, and reimbursement will not be provided if such data is submitted by a bidder. The BOEM Gulf of Mexico RD will notify bidders and joint bidders of any withdrawal of the request, for all or some of the proprietary data identified on the GDIS, within 15 days of the lease sale. Pursuant to 30 CFR part 551 and as a condition of this sale, all bidders required to submit data must ensure that the data is received by BOEM no later than the thirtieth day following the lease sale, or the next business day if the submission deadline falls on a weekend or Federal holiday. The data must be submitted to BOEM at the following address:

Bureau of Ocean Energy Management

Resource Studies, MS 881A

1201 Elmwood Park Blvd.

New Orleans, LA 70123-2304

BOEM recommends that bidders mark the submission's external envelope as "Deliver Immediately to DASPU." BOEM also recommends that the data be submitted in an internal envelope, or otherwise marked, with the following designation "Proprietary Geophysical Data Submitted Pursuant to Lease Sale 233 and used during <Bidder Name's> evaluation of Block <Block Number>."

In the event a person supplies any type of data to BOEM, that person must meet the following requirements to qualify for reimbursement:

- (1) Persons must be registered with the System for Award Management (SAM), formerly known as the Central Contractor Registration (CCR). Your CCR username will not work in SAM. A new SAM User Account is needed to register or update your entity's records. The website for registering is https://www.sam.gov.
- (2) Persons must be enrolled in the Department of Treasury's Internet Payment Platform (IPP) for electronic invoicing. The person must enroll in the IPP at https://www.ipp.gov/. Access then will be granted to use IPP for submitting requests for payment. When a request for payment is submitted, it must include the assigned Purchase Order Number on the request.
- (3) Persons must have a current On-line Representations and Certifications Application at https://www.sam.gov.

Please Note:

The GDIS Information Table must be submitted digitally, preferably as an Excel spreadsheet, on a CD or DVD along with the seismic data map(s). If you have any questions, please contact Ms. Dee Smith at (504) 736-2706, or Mr. John Johnson at (504) 736-2455. Bidders should refer to Section X of this document, "The Lease Sale: Acceptance, Rejection, or Return of Bids," regarding a bidder's failure to comply with the requirements of the Final NOS, including any failure to submit information as required in the Final NOS or Final NOS Package.

Telephone Numbers/Addresses of Bidders

BOEM requests that bidders provide this information in the suggested format prior to or at the time of bid submission. This form must not be enclosed inside the sealed bid envelope.

Additional Documentation

BOEM may require bidders to submit other documents in accordance with 30 CFR 556.46.

VIII. BIDDING RULES AND RESTRICTIONS

Restricted Joint Bidders

BOEM published in the *Federal Register* on May 10, 2013, a List of Restricted Joint Bidders at 78 FR 27430, which applies to this lease sale. Please refer to joint bidding provisions at 30 CFR 556.41 for additional restrictions.

Authorized Signatures

All bidders must execute all documents in conformance with signatory authorizations on file in the BOEM qualification records.

Unlawful Combination or Intimidation

BOEM warns bidders against violation of 18 U.S.C. 1860, prohibiting unlawful combination or intimidation of bidders.

Bid Withdrawal

Bids may be withdrawn only by written request delivered to BOEM prior to the Bid Submission Deadline. The withdrawal request must be on company letterhead and must contain the bidder's name, its company number, the map name/number, and the block number(s) of the bid(s) to be withdrawn. The request must be in conformance with signatory authorizations on file in the BOEM Gulf of Mexico Region Adjudication Office. Signatories must be authorized to bind their respective legal business entities (e.g., a corporation, partnership, or LLC); they also must have an incumbency certificate, and/or specific power of attorney setting forth express authority to act on the business entity's behalf for purposes of bidding and lease execution under OCSLA. The name and title of the signatory must be typed under the signature block on the

withdrawal letter. Upon the BOEM Gulf of Mexico RD's, or his designee's, approval of such requests, he will indicate his approval by signing and dating the withdrawal request.

Bid Rounding

The bonus bid amount must be stated in whole dollars. If the acreage of a block contains a decimal figure, then prior to calculating the minimum bonus bid, bidders must round up to the next whole acre. The appropriate minimum rate per acre is then applied to the whole (rounded up) acreage. If this calculation results in a fractional dollar amount, bidders must round up to the next whole dollar amount. The bonus bid amount must be greater than or equal to the minimum bonus bid. Minimum bonus bid calculations, including all rounding, for all blocks will be shown in the document "List of Blocks Available for Leasing" included in the Final NOS Package.

IX. FORMS

The Final NOS Package includes instructions, samples, and/or the preferred format for the following items. BOEM strongly encourages bidders to use these formats; should bidders use another format, they are responsible for including all the information specified for each item in the Final NOS Package.

- (1) Bid Form
- (2) Sample Completed Bid
- (3) Sample Bid Envelope
- (4) Sample Bid Mailing Envelope
- (5) Telephone Numbers/Addresses of Bidders Form
- (6) GDIS Form
- (7) GDIS Envelope Form

X. THE LEASE SALE

Bid Opening and Reading

Sealed bids received in response to the Final NOS will be opened at the place, date, and hour specified in the Final NOS. The opening of the bids is for the sole purpose of publicly announcing and recording the bids received; no bids will be accepted or rejected at that time.

Bonus Bid Deposit for Apparent High Bids

Each bidder submitting an apparent high bid must submit a bonus bid deposit to the U.S. Department of the Interior's Office of Natural Resources Revenue (ONRR) equal to one-fifth of the bonus bid amount for each such bid. A copy of the notification of the high bidder's one-fifth bonus liability may be obtained at the EFT Area outside the Bid Reading Room on the day of the bid opening, or it may be obtained on the BOEM website at http://www.boem.gov/Sale-233/ under the heading "Notification of EFT 1/5 Bonus Liability." All payments must be deposited electronically into an interest-bearing account in the U.S. Treasury by 11:00 a.m. Eastern Time the day following the bid reading (no exceptions). Account information is provided in the "Instructions for Making Electronic Funds Transfer Bonus Payments" found on the BOEM website identified above.

BOEM requires bidders to use EFT procedures for payment of one-fifth bonus bid deposits for WPA Sale 233, following the detailed instructions contained on the ONRR Payment Information webpage at http://www.onrr.gov/FM/PayInfo.htm. Acceptance of a deposit does not constitute and shall not be construed as acceptance of any bid on behalf of the United States.

Withdrawal of Blocks

The United States reserves the right to withdraw any block from this lease sale prior to issuance of a written acceptance of a bid for the block.

Acceptance, Rejection, or Return of Bids

The United States reserves the right to reject any and all bids. No bid will be accepted, and no lease for any block will be awarded to any bidder, unless the bidder has complied with all requirements of the Final NOS, including those set forth in the documents contained in the Final NOS Package and applicable regulations, the bid is the highest valid bid, and the amount of the bid has been determined to be adequate by the authorized officer. Any bid submitted that does not conform to the requirements of the Final NOS and Final NOS Package, OCSLA, or other applicable statute or regulation may be rejected and returned to the bidder. The U.S. Department of Justice and the Federal Trade Commission will review the results of the lease sale for antitrust issues prior to the acceptance of bids and issuance of leases. To ensure that the Government receives a fair return for the conveyance of leases from this sale, high bids will be evaluated in accordance with BOEM's bid adequacy procedures. A copy of current procedures, "Modifications to the Bid Adequacy Procedures" at 64 FR 37560 on July 12, 1999, can be obtained from the BOEM Gulf of Mexico Region Public Information Office, or via the BOEM Gulf of Mexico Region website at http://www.boem.gov/Oil-and-Gas-Energy-Program/Leasing/Regional-Leasing/Gulf-of-Mexico-Region/Bid-Adequacy-Procedures.aspx.

Lease Award

BOEM requires each bidder awarded a lease to: (1) execute all copies of the lease (Form BOEM-2005 (October 2011), as amended); (2) pay by EFT the balance of the bonus bid amount and the first year's rental for each lease issued in accordance with the requirements of 30 CFR 218.155 and 556.47(f); and (3) satisfy the bonding requirements of 30 CFR part 556,

subpart I, as amended. ONRR requests that only one transaction be used for payment of the

four-fifths bonus bid amount and the first year's rental.

XI. DELAY OF SALE

The BOEM Gulf of Mexico RD has the discretion to change any date, time, and/or

location specified in the Final NOS Package in case of an event that the BOEM Gulf of Mexico

RD deems may interfere with the carrying out of a fair and proper lease sale process. Such

events could include, but are not limited to, natural disasters (e.g., earthquakes, hurricanes, and

floods), wars, riots, acts of terrorism, fires, strikes, civil disorder, or other events of a similar

nature. In case of such events, bidders should call (504) 736-0557, or access the BOEM website

at http://www.boem.gov for information regarding any changes.

_____ July 17, 2013_____

Date

Tommy P. Beaudreau

Director, Bureau of Ocean Energy Management

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